MedStar Family Choice

| ADMINISTRATIVE POLICY AND PROCEDURE | | |
|---|---|---|
| **Policy #:** | **220** | |
| **Subject:** | **Management of Pharmacy Benefit Fraud, Waste, and Abuse** | |
| **Section:** | **Pharmacy** | |
| **Initial Effective Date:** | **05/27/2020** | |
| **Revision Effective Date(s):** | **07/20, 07/21, 07/22, 07/23, 07/24, 07/25** | |
| **Review Effective Date(s):** | | |
| **Responsible Parties:** | **Health Plan Pharmacist, P&T Committee** | |
| **Responsible Department(s):** | **Clinical Operations, Compliance** | |
| **Regulatory References:** | **COMAR: 10.09.24.14**<br>**Maryland Medicaid Pharmacy Advisory No. 94** | |
| **Approved:** | **AVP Clinical Operations** | **Chief Medical Officer** |

**Purpose:** **To define the MedStar Family Choice Policy for Identification, Sanctioning, and Reporting of Fraud, Waste, and Abuse (FWA) in pharmaceutical utilization.**

**Scope:** **MedStar Family Choice Maryland members, network and non-network prescribers, dispensing pharmacies.**

**Policy:** **MedStar Family Choice monitors and responds to pharmaceutical FWA on an ongoing basis by using processes outlined in this policy and in the MedStar Family Choice 700 Series Policies.**

**Definitions:**

**Medical Reviewer: Medical Director or Health Plan Pharmacist**

**Abuse: When a provider, pharmacy, or member demonstrates practices that are inconsistent with sound fiscal, business, and/or medical practices, that result in an unnecessary cost to the Medicaid program, or in reimbursement for services that are not medically necessary, or that fail to meet professionally recognized standards for health care.**

**Procedure:**

1. FWA in Pharmaceutical Utilization
   1.1. MedStar Family Choice will monitor for FWA in all pharmaceutical utilization in compliance with COMAR 10.09.24.14
   1.2. Any potential cases of FWA identified will be referred to the MedStar Family Choice Compliance who will investigate the cases for FWA according to Compliance Policies.
   1.3. A Medical Reviewer will assist MedStar Family Choice Compliance with any part of the investigation.
      1.3.1. MedStar Family Choice staff will collaborate with the Pharmacy Benefits Manager (PBM) and other contracted vendors as necessary to determine the full scope of the identified FWA.
   1.4. Health Plan Pharmacist will work to identify and implement system supports to help prevent FWA.
   1.5. MedStar Family Choice must report to the Maryland Department of Health, Office of the inspector General health who will refer any credible allegations of fraud to the Office of the Attorney General, Medicaid Fraud and Vulnerable Victims Unit.

2. Additional FWA Monitoring of Controlled Substances
   2.1. Controlled substance prescriptions dispensed for MedStar Family Choice members are evaluated at least quarterly for prescribing trends concerning for FWA.
   2.2. Providers are identified via FWA analytic reports which include, but are not limited to:
      2.2.1. Controlled substance prescriptions without an associated medical visit.
      2.2.2. High number of Controlled Substances.
      2.2.3. Unusual number of prescriptions for Schedule II Drugs
   2.3. Quarterly, MedStar Family Choice identifies, minimally, the top 5 providers in each measure below for further review.
      2.3.1. Total number of opioid prescriptions by provider.
      2.3.2. Total number of members receiving opioids by provider.
      2.3.3. The average Morphine Milliequivalent (MME) per member by provider.
      2.3.4. The average MME per claim paid by provider.
   2.4. Members found to be paying cash for controlled substances will be referred to the Medicaid recipient fraud and abuse department as described in the Maryland Medicaid Pharmacy Program Advisory No. 94.
      2.4.1. To report concerns, call the Office of the Inspector General Recipient Fraud/Abuse Hotline at 866-770-7175 or www.dhmh.state.md/us/oig.

3. MedStar Family Choice Medical Reviewers use all available resources to obtain comprehensive clinical details, including but not limited to:
   3.1. MedStar Family Choice's clinical software system.
   3.2. MedStar system EMR.

3.3. PBM prescription claims database.
3.4. Chesapeake Regional Information System Portal (CRISP) ***excluding*** the Prescription Drug Monitoring Program (PDMP).
3.5. Non-network or external medical records.

4. Indicators of potential pharmaceutical FWA include, but are not limited to:
   4.1. Failure of a provider to produce medical records for MedStar Family Choice review when requested.
   4.2. A trend of members traveling long distances to see a provider, defined as:
      4.2.1. Greater than 15 minutes/10 miles in urban areas.
      4.2.2. Greater than 30 minutes/20 miles in suburban areas.
      4.2.3. Greater than 40 minutes/30 miles in rural areas.
   4.3. Provider accepting cash for medical visit(s).
   4.4. Provider initiates controlled-substance therapy at a dose higher than the recommended starting dose. Starting doses are defined in the FDA Prescribing information for each medication.
   4.5. Provider prescribes mostly short-acting opioids for chronic pain, i.e., there is a paucity of utilization of extended-release opioids in their prescribing history for the last 3 months.
   4.6. Provider prescribes outside of specialty or scope of practice.
   4.7. Patterns of pharmacy dispensing the deviate from the norm, including but not limited to:
      4.7.1. Accepting cash payments for prescriptions.
      4.7.2. Dispensing disproportionately high amounts of a specific drug or product.
      4.7.3. Concurrent dispensing of multiple drugs in the same therapeutic class.
      4.7.4. Dispensing a quantity that exceeds the recommended dose or frequency of a drug or product.
      4.7.5. Patterns of dispensing that are indicative of pharmaceutical waste.
      4.7.6. Abuse of the 72-hour Emergency Supply Override functionality.
   4.8. When potential pharmacy FWA is identified:
      4.8.1. An internal audit will be completed by the Health Plan Pharmacist or designee(s).
         4.8.1.1. If the Health Plan Pharmacist confirms FWA, then the case will be referred to Compliance with a recommendation for further investigation.
         4.8.1.2. If Compliance validates the FWA, the Health Plan Pharmacist will present the case to the CMO and include an assessment of disruption to the plan membership.
         4.8.1.3. The CMO will make the final decision to report the pharmacy to the Maryland Department of Health (MDH) Office of Inspector General-Health (OIG-H).
            4.8.1.3.1. If the CMO agrees that the case should advance, Compliance will be notified to coordinate with the OIG-H for review.
            4.8.1.3.2. If the OIG-H agrees that the pharmacy may be excluded from network:

4.8.1.3.2.1. The Health Plan Pharmacist or designee will coordinate with the PBM to implement any necessary limitations of coverage or network participation.
4.8.1.3.2.2. The PBM will provide a 30-day notice to the impacted pharmacy of the decision to remove them from the network.
4.8.1.3.2.3. The PBM will be responsible for providing a 30-day notice to the impacted members of the decision to remove a pharmacy from the network.

5. After review by the Medical Reviewer if a provider meets any of the criteria listed in this policy and/or deviates from generally accepted standards of care, the case is referred to the MedStar Family Choice Quality of Care Committee (QOC).
   5.1. The QOC is comprised of all MedStar Family Choice Medical Directors, the Chief Medical Officer, the Health Plan Pharmacists, and several nursing staff for further disposition.
   5.2. The QOC cases are reviewed by all Medical Directors and the Chief Medical Officer.
      5.2.1. When the QOC Committee unanimously agrees that misconduct has occurred:
         5.2.1.1. Network Providers:
            5.2.1.1.1. Will receive a letter outlining the findings of the QOC.
            5.2.1.1.2. QOC will review the prescribing patterns of the identified prescriber for two additional quarters.
            5.2.1.1.3. If this review shows no inappropriate activity, then no additional monitoring will be required at this time.
            5.2.1.1.4. Continued monitoring of the identified prescriber for the two quarters.
            5.2.1.1.5. The QOC will review the new data.
               5.2.1.1.5.1. If the QOC determines that the generally accepted standards of care are not followed, then the prescriber will be referred to Credentialling, Provider Relations, and/or Compliance for further action.
         5.2.1.2. Out of Network Providers:
            5.2.1.2.1. Will receive a letter outlining the findings of the QOC.
            5.2.1.2.2. The PBM will be notified to implement a Point-of-Sale denial effective 30 days from notification.
            5.2.1.2.3. Affected members will be notified via U.S Mail that prescriptions written by the provider will not be covered by MedStar Family Choice effective 30-days from date of notice.
      5.2.2. If the QOC does not unanimously agree that misconduct has occurred, then the QOC will review the prescribing patterns for two additional quarters.
         5.2.2.1. The name(s) of providers being surveilled for misconduct shall be shared with Compliance, Credentialling and Provider Relations.

5.2.2.2. If a unanimous decision is not reached following two quarters of review, then the deciding action shall be determined by simple majority.

| | |
|---|---|
| **Summary of Changes:** | **07/25:**<br>• No changes.<br>**07/24:**<br>• Changed Title from "Prevention of FWA in Pharmaceutical Utilization" to Management of Pharmacy Benefit FWA".<br>• Moved P&T Committee listing from "Responsible Department" to "Responsible Parties" section.<br>• Reformatted font and procedure to improve readability.<br>• Updated all NCQA, MCO Standards, and COMAR to current year references.<br>• Updated policy Approver titles and removed individual names.<br>• Removed references to NCQA and COMAR 10.67.09.04 which are not applicable to this policy.<br>• Updated references to MDH Departments and workflow for reporting suspected fraud.<br>• Added reference and content to align with MD Medicaid Pharmacy Program Advisory No. 94 regarding cash payments for opioid prescriptions.<br>• Added Section 4 to describe procedures related to pharmaceutical FWA of non-controlled substances.<br>• Transitioned figure 1 flow-chart into descriptive text outlined in Section 5.<br>**07/23:**<br>• Responsible Parties changed to Health Plan Pharmacist<br>• Removed from Responsible Parties: Dr. Gregory Dohmeier<br>• Updated COMAR, NCQA, and MDH Standards to current references.<br>• Added Section A. Fraud, Waste, and Abuse in Pharmacy Utilization.<br>• Added CDC Clinical Practice Guideline for Prescribing Opioids for Pain — United States, 2022 reference and link.<br>**07/22**<br>• Responsible Parties changed to Dr. Gregory Dohmeier<br>• Removed from Responsible Parties: Dr. Gerry and Dr. Toye<br>• Updated Regulatory Reference to April 2022 MDH Standards<br>• Updated NCQA Reference to 2022 Standards<br>**07/21:**<br>• Updated NCQA Reference to reflect 2021 Standards.<br>• Added Maryland to Scope.<br>• Changed Case Management to Clinical Operations in |

| | |
|---|---|
| | Responsible Departments.<br>**09/20:**<br>• Period of re-review changed from 90 to 180 days.<br>• Updated to whom and when MFC must report.<br>**07/20:**<br>• Updated COMAR regulatory reference to reflect recodification and NCQA 2020 Standards.<br>**05/20:**<br>• New policy. |